



Department of Justice

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FORMER CHEMICAL COMPANY SALES EXECUTIVE CHARGED WITH FILING FALSE TAX RETURNS

WASHINGTON — A federal grand jury in Portland, Ore. returned an indictment late yesterday against a former Raisio Chemicals Northwest Inc. sales executive charging him with two counts of filing false federal income tax returns, the Department of Justice announced.

The indictment, which was filed in United States District Court in Portland, Ore., charged Trevor Smith, former Raisio vice president of sales for western North America and a resident of Lake Oswego, Ore., with filing false U.S. federal income tax returns for tax years 1999 and 2000, understating his income by more than \$332,000. The understated income consisted of payments he received from John R. Olsen, while employed at Raisio, relating to Raisio's purchases of dry anthraquinone, a pulping additive used to increase pulp yield. Raisio is based in Lake Oswego, Ore. Olsen is the former general manager of Chemical Products Technologies (CPT), based in Cartersville, Ga.

"Those who illegally profit from their participation in fraudulent schemes will be vigorously prosecuted," said Scott D. Hammond, Deputy Assistant Attorney General in charge of the Antitrust Division's Criminal Enforcement Program.

The tax charges, violations of 26 U.S.C. § 7206(1), carry a maximum penalty per count of three years' imprisonment and a \$250,000 fine. The maximum fine for each count may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

The charges announced today are the third to arise out of investigations in the Northern District of Georgia and the District of Oregon conducted by the Antitrust Division's Atlanta Field Office, with the assistance of the Internal Revenue Service Criminal Investigation Division.

In June 2005, Patrick Crowe III pleaded guilty to a two-count felony charge for his participation in two conspiracies to commit mail fraud and deprive CPT of the honest services of its employee. He was sentenced to four months in prison, two months in a halfway house and to pay restitution to CPT in the amount of \$52,130.

In March 2006, Olsen pleaded guilty to two conspiracies to commit mail fraud and deprive CPT of the honest services of its employees and to two counts of filing false U.S. federal income tax returns. Olsen is still awaiting sentencing.

Anyone with information concerning price fixing, bid rigging, tax offenses, or other offenses in the anthraquinone or glyphosate (a herbicide used to control grasses and weeds) industries should contact the Atlanta Field Office of the Antitrust Division at (404) 331-7100.

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